Western Union to Launch a Stablecoin

The dollar-backed token's introduction could turbocharge the sector's growth

By Vicky Ge Huang

One of the oldest payments networks is stepping into the digital age.

Western Union, which built the first transcontinental telegraph line in 1861, plans to launch a dollar-backed stablecoin to let its 100 million customers send money internationally detached from local currency fluctuations and risks.

Dubbed the U.S. Dollar Payment Token, or USDPT, the stablecoin will be built on the Solana blockchain and issued by Anchorage Digital Bank. The digital token is expected to launch in the first half of 2026, and customers will be able to access it through Western Union's partner exchanges.

By using the stablecoin to send money around the globe, customers might be able to lower their costs and settle transactions faster, Western Union said.

"We are a long way from the telegraph, but the idea of connecting people and using technology to do it is deeply in our roots for 175 years," said Devin McGranahan, president and chief executive of Western Union. "Moving into digital assets and stablecoins is just the next chapter in that long journey of connecting people through technology."

If widely adopted, Western Union could turbocharge the growth of stablecoins, which altogether command a market cap of more than $300 billion. Western Union transfers hundreds of billions annually. Anchorage Digital, so far the only crypto firm in the country with a federal bank charter, also will be the issuer of Tether's planned new U.S.-specific stablecoin.

Stablecoins are often pegged to government-issued currencies, like the U.S. dollar, and used by traders to move money in and out of the crypto market, and to preserve their purchasing power in high-inflation countries.

The Genius Act, a landmark measure signed into law by President Trump this summer, has sparked a surge in interest in these dollar-pegged cryptocurrencies from startups, banks and big merchants like Amazon.com and Walmart. The bill established a regulatory framework for stablecoins, requiring issuers to back their tokens with reserves of cash, short-term Treasurys and similarly safe assets.

Western Union also is launching a digital asset network composed of crypto wallet providers that would allow non-Western Union customers to convert digital assets into local currencies using its more than 400,000 retail locations.

The company has previously been reluctant to embrace crypto on concerns over digital assets' volatility and the absence of clear rules. The rise of stablecoins, which address the volatility issue through their peg to the dollar, combined with improved regulatory clarity through the passage of the Genius Act, and the reduced transaction costs, has made crypto more attractive to Western Union, McGranahan said.

Some of Western Union's competitors, including MoneyGram and PayPal, have already made significant moves to integrate stablecoins into their core business.

Auto Giant BYD Posts Sales Surge in Europe

By Mauro Orru

ALBERT GEA/REUTERS

European customers are warming to the Chinese auto giant's electric and hybrid vehicles. A BYD dealership in Spain, above.

BYD logged a nearly fivefold surge in European sales last month, a sign customers in the region are increasingly warming to the Chinese auto giant's lineup of electric and hybrid vehicles.

New-car registrations for BYD models, a reflection of sales, almost quintupled on year to 24,963 vehicles in Europe last month, according to the European Automobile Manufacturers' Association, an industry body also known as ACEA.

The figure includes data from the European Union as well as the U.K., Iceland, Liechtenstein, Norway and Switzerland. In the EU alone, BYD registrations more than tripled to 13,221 vehicles.

The jump in sales, the third since July after ACEA began including China's largest automaker in its monthly data, underscores the appeal of BYD's lineup in Europe, even though sales remain far below those of established domestic carmakers like Germany's Volkswagen or Stellantis, the owner of the Jeep and Dodge brands. The companies respectively sold 317,432 and 165,457 vehicles in Europe last month, according to ACEA.

BYD has been expanding aggressively on the continent, leveraging its relatively cheap and varied lineups to gain market share from rivals. In late 2023, the Chinese company announced plans to build a new passenger car factory in Hungary, with production expected to begin in the coming months.

Meanwhile, registrations for Elon Musk's Tesla fell 10.5% in Europe and nearly 19% in the EU alone last month, according to ACEA data, adding to a streak of disappointing monthly sales for the company this year.

SoFi Lifts Its Profit Forecast For Year

By Dean Seal

SoFi Technologies expects to bring in more customers and higher profits in 2025 than previously anticipated as its membership count continues to swell.

The financial-services company said Tuesday that it now expects to add at least 3.5 million new members this year, instead of 3 million as previously estimated, bringing the total roster up by more than one-third from where it finished 2024.

SoFi also said adjusted net revenue should hit about $3.54 billion for the year, adding $165 million to its prior outlook and marking an expected 36% jump from 2024. Adjusted earnings are now on track to hit $455 million, or 37 cents a share, instead of $370 million, or 31 cents a share, as previously projected.

The raised guidance comes after 905,000 new members joined SoFi during the third quarter, giving it 12.6 million in total. That is up 35% from a year earlier. The San Francisco company added 1.4 million new products during the quarter, expanding its product portfolio by 36% from a year ago to 18.6 million.

Quarterly revenue surged 38% to $961.6 million, or $949.6 million when adjusting for certain items such as fair value changes in servicing rights. That blew past analyst estimates for $888.9 million in adjusted revenue, according to FactSet.

The company has been working to reduce its dependency on lending and drive more fee-based revenue by serving as a one-stop shop for customers' financial needs, with offerings like digital banking and investing, the CEO said.

Fee-based revenue jumped 50% in the third quarter from higher origination fees, referral fees, interchange fees and brokerage fees.

The lending unit still delivered strong gains, with a 25% jump in revenue, to $493.4 million.

Earnings rose to $139.7 million, or 11 cents a share, from $58.1 million, or 5 cents a share, in the same quarter a year earlier. Adjusted earnings, which strip out one-time items, were 11 cents a share as well. Analysts polled by FactSet had been expecting 8 cents a share.

PayPal Links With ChatGPT Checkout

By Dean Seal

PayPal Holdings has teamed with OpenAI to allow ChatGPT users buy products found through the AI chatbot with their PayPal accounts.

The payments company also raised its 2025 guidance again and said it would start issuing quarterly dividends for the first time.

PayPal said that under the new partnership, ChatGPT users would be able to complete purchases instantly using a PayPal wallet.

PayPal also would support payments processing for merchants that use OpenAI's checkout feature and extend its global merchant network to OpenAI. The arrangement would allow millions of small businesses and major retailers in PayPal's network to sell their products through ChatGPT.

PayPal said that the partnership with OpenAI is an expansion of its AI strategy that goes beyond commerce. It will be scaling access to ChatGPT Enterprise, a version of the chatbot designed for businesses, to its more than 24,000 employees, with the aim of accelerating product development and improving customer experiences.

Separately, PayPal said it now expects to end the year with higher earnings than previously anticipated, as it is on pace to make 5% to 6% more profit from each transaction it processes this year compared with last year.

Quarterly earnings jumped to $1.25 billion, or $1.30 a share, from $1.01 billion, or 99 cents a share, in the same quarter a year earlier. Adjusted earnings, which strip out one-time items, were $1.34 a share. Analysts surveyed by FactSet had been expecting $1.20 a share.

PayPal raised its full-year outlook, on top of a boost declared in July. It now expects earnings of $5.11 to $5.15 a share for 2025, instead of the $4.90 to $5.05 a share previously projected, and adjusted earnings of $5.35 to $5.39 a share, up from an outlook of $5.15 to $5.30 a share.

For the fourth quarter, adjusted earnings should reach $1.27 to $1.31 a share, PayPal said. Analysts had been forecasting $1.31 a share.

TECHNOLOGY WATCH

WAYFAIR

Loss Narrows as Revenue Climbs

Wayfair logged improved revenue in the third quarter with orders rising, as shoppers bought new furniture before new tariffs went into effect.

The online retailer on Tuesday posted a loss of $99 million, or 76 cents a share, for its three months ended Sept. 30, compared with a loss of $74 million, or 60 cents a share, a year earlier.

Stripping out certain one-time items, earnings were 70 cents a share. Analysts polled by FactSet had expected adjusted earnings of 44 cents a share. Revenue climbed 8.1% to $3.12 billion.

—Connor Hart

AMERICAN TOWER REIT

Cell-Tower Owner Lifts 2025 Outlook

American Tower REIT swung to a third-quarter profit on strong revenue growth and raised its 2025 earnings projection as it benefits from capital investment by cellphone carriers and artificial-intelligence firms.

The Boston owner of cellphone towers and data centers posted earnings of $853.3 million, or $1.82 a share, compared with a year-earlier loss of $792.3 million, or $1.69 a share. Revenue rose 7.7% to $2.72 billion.

For 2025, American Tower boosted its net-income projection to between $2.46 billion and $2.51 billion.

—Rob Curran

ELECTRONIC ARTS

Profit, Sales Fall on Tough Comparison

Electronic Arts reported lower sales and profit in its fiscal second quarter as the videogame maker faced tough comparisons from a year earlier, when results were boosted by the return of its college-football franchise.

The Redwood City, Calif., company on Tuesday posted a profit of $137 million, or 54 cents a share, for the three months ended Sept. 30, down from $294 million, or $1.11 a share, a year earlier. Revenue fell 9.2% to $1.84 billion.

EA had most recently guided for per-share earnings of 29 cents to 46 cents on revenue of $1.75 billion to $1.85 billion.

—Connor Hart